GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1961
ANSWERED ON:15.03.2002
PROCUREMENT OF SUGARCANE BY SUGAR MILLS
BIR SING MAHATO;RATNA SINGH

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether there is no uniform price fixed for procurement of sugarcane by mills;

(b) if so, the details thereof alongwith the reasons therefor; and

(c) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a),(b)&(c): The Central Government does not fix price for procurement of sugarcane by mills.However, in pursuance of the provisions of clause 3 of the Sugarcane (Control) Order - 1996,the Central Government fixes the Statutory Minimum Price (SMP) of sugarcane payable by the vacuum pan process sugar factories for each sugar season. The SMP so fixed is uniform butlinked to recovery level. Since the recovery level differs from factory to factory, the SMP varies from factory to factory.